



2009 Indiana Legislation Update





House Passed Budget

- Wipes out all of the state's reserves in a little over a year (more than \$1.3B)
- Would result in a tax increase
- Raids the Healthy Indiana Plan
- When federal stimulus dollars for Medicaid and education are included, increases annual spending by more than 9%



Property Tax Caps

- Provides permanent property tax protection for Hoosier taxpayers (1% on homes, 2% on rental/ag, 3% on all other)
- Last year: passed both houses overwhelmingly
- This year: needs to pass both houses to go to voters in November, 2010
- Passed Senate again this year (35-15)



Government Reform

- Townships
 - Advisory boards eliminated, and control shifted to county
 - Anti-nepotism rules
- Counties
 - Commissioners choose Single county exec or Board of Supervisors model
 - Stronger county council
- Other
 - Municipal and school board elections moved to fall in even numbered years
 - Local government employees prohibited from serving on fiscal body of their employer



Automatic Taxpayer Refund

- Recognizes that there is a limit to the amount of money the state should collect from taxpayers
- Caps general fund reserve at 10% of appropriations
- Automatically refunds any excess to taxpayers
- If this plan had been in place in the 90s, substantial money would have been returned to taxpayers



Legislative Update—Education Agenda

➤ **Dollars in the Classroom**

- Political subdivisions must consult at least 2 purchasing cooperatives
- Document procurement decisions
- Subject to audit

➤ **School Discipline**

- Grants qualified immunity to teachers acting in good faith to restore discipline in the classroom
- If a student is removed from class, the parents, teacher, and principal must work together



**Are you interested in receiving email
updates about the work of the
Daniels/Skillman Administration?**

Click HERE to sign up.

**Or, visit our website at www.in.gov/lgov/
and click on E-mail Updates.**